



State Capitol | Lansing, Michigan 48913

PH (517) 373.7350 | FAX (517) 373.9228

www.senate.michigan.gov/gop/senator/patterson/

For Immediate Release
June 27, 2006

Contact: Sue Trussell
(734) 558-0367

Bills to rejuvenate Michigan's agriculture industry sent to governor

LANSING—A package of bills that will make renewable fuels widely available and revitalize Michigan's agriculture industry has been sent to the governor, said bill sponsor Sen. Bruce Patterson, 7th District.

"This legislation is good news for our economy, consumers and the environment," said Patterson, chairman of the Senate Committee on Technology and Energy. "Michigan can be the national leader in the development, production and use of renewable and alternative fuels, and this package will help us achieve that goal by making these alternatives available at more locations around the state."

The legislation is designed to help spur growth in Michigan's agriculture industry and promote and encourage use of E85, a fuel blend that is 85 percent ethanol, and B5, a 5 percent blend of biodiesel. Ethanol is a clean-burning, high-octane fuel primarily produced from corn kernels. Biodiesel is a cleaner-burning diesel fuel made from natural renewable sources such as soybean oil.

Senate Bill 1078, sponsored by Patterson, will create 10 new renaissance zones in Michigan to be used specifically for manufacturing alternative energy. This will increase the supply of E85 for Michigan business and industry.

"My bill provides wonderful incentives for producers and consumers," Patterson said. "It breaks new ground in providing Michigan an environmentally healthy, cost-effective answer to our fuel problem while boosting our agriculture economy."

The renewable fuel package also will:

- Provide a motor-fuel tax cut on the purchase of renewable fuels. The tax break gives seven cents off the 19-cent motor fuel tax on E85 or three cents off the 15-cent motor fuel tax on B5;
- Set strict quality-control standards for biodiesel and hydrogen fuels, and require diesel fuel testing in Michigan; and
- Require the state to install a fueling infrastructure at the Lansing state fleet garage and require all state flex fuel vehicles to fill up with E85 and diesel vehicles to use a biodiesel blend.

Although GM and Ford are heavily investing in the production of E85 vehicles, there are only four pumps dispensing the fuel in Michigan, while Minnesota has 198 pumps and Illinois has 104 pumps statewide.

###